

October 24, 2003

CHDP Information Notice No.: 03-O

TO: ALL CHILD HEALTH AND DISABILITY PREVENTION (CHDP)  
PROGRAM DIRECTORS, DEPUTY DIRECTORS, MEDICAL  
CONSULTANTS, NURSE CONSULTANTS, NUTRITIONISTS, STATE  
CHILDREN'S MEDICAL SERVICES (CMS) BRANCH STAFF AND  
REGIONAL OFFICE STAFF

SUBJECT: OPPORTUNITY FOR CHDP SPECIAL NUTRITION PROJECT FUNDING

Children's Medical Services intends to fund up to three Nutrition Special Projects at local CHDP Programs for the period January 1, 2004, through September 30, 2004. Funding for these projects is from the California Nutrition Network. The activities of the projects must meet specific guidelines discussed below. Funding for each project will not exceed \$100,000. Interested programs should prepare proposals for a CHDP Nutrition Special Project by submitting a scope of work, budget, and budget justification using the attached forms. Proposals are due by close of business **December 1, 2003**.

Proposals should be submitted to:

Susan Mattingly, M.S., R.D.  
Department of Health Services  
Children's Medical Services Branch  
1515 K Street, Suite 400  
MS 8102  
P.O. Box 942732  
Sacramento, CA 94234-7320

Project funding must be used to develop nutrition education interventions that:

- Promote the increased consumption of fruits and vegetables in low-income populations;



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[www.consumerenergycenter.org/flex/index.html](http://www.consumerenergycenter.org/flex/index.html)

- Promote healthy weight (includes nutrition and physical activity focus);
- Promote partnerships and collaborations with other programs in planning and delivering nutrition education; and
- Promote increased participation in United States Department of Agriculture (USDA) nutrition assistance programs such as, the Food Stamp Program; School Breakfast and Lunch Programs; and After School Snack and Summer Meal Programs.

Allowable food stamp nutrition education activities are those health promotion activities and interventions aimed at primary prevention of disease. Activities to help people establish an active lifestyle and healthy eating habits in life and maintain these behaviors throughout their lives would be acceptable health promotion activities.

Secondary prevention interventions and medical nutrition therapy are not allowable nutrition education expenditures under these projects. Secondary prevention interventions include activities that help people who already have a chronic disease cope with and control these conditions and prevent additional disability.

Funds must be used on interventions that support improving the nutrition and physical activity habits of low-income children and their parents or caregivers.

Project funds may be used for personnel and support costs. Project staff shall include a registered dietitian (part-time or full-time). The project scope of work must include activities that target nutrition related needs of children in your community, demonstrate interagency collaboration with schools, parks and recreation programs, and collaboration with the medical provider community. Project activities must conform to the enclosed list of allowable costs (Attachment A).

The project scope of work must specify:

- Goals of the project
- Target population
- Who is responsible for performing the activity
- An overall timeline

- Measurable, time specific, outcome oriented objectives
- Project activities
- Evaluation measures

All projects require semi-annual reports and final reports. The final report must include the results of an evaluation. This evaluation can be a process evaluation and/or outcome evaluation. All projects are required to submit quarterly invoices.

Activities of the project may include resource development, administration, training/education, outreach or facilitation, and coordination of a task force.

If you have any questions, please contact Susan Mattingly, M.S., R.D., at (916) 322-8785.

**Original Signed by Maridee Gregory, M.D.**

Maridee A. Gregory, M.D., Chief  
Children's Medical Services Branch

Enclosures

## **APPENDIX C**

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### **COST POLICY**

The following discusses the costs that can be approved for Federal reimbursement under an approved Food Stamp Nutrition Education Plan.

#### **Food Stamp Program Reimbursement Structure**

Under Section 16 of the Food Stamp Act of 1977, as amended, a State food stamp agency is reimbursed 50 percent for allowable administrative program costs that are reasonable and necessary to operate approved nutrition education activities. Because State costs, by law, are reimbursed, food stamp nutrition education is not a "grant" program, which provides a set level of funding for specific activities for a specific period of time, nor is it technically a match program. It reimburses 50 percent of States' allowable expenditures. Nevertheless, the term "grantee" is used in this guidance to denote the State agency, and the term "subgrantee" is used to denote those entities that are under agreement with the State agency to provide services. Despite the use of this nomenclature, it is important to understand that the food stamp program operates as a reimbursable agreement. Federal funds reimburse States for only half of all allowable costs.

While plan activities are approved on an annual basis, allowable costs may be reimbursed in the subsequent year if the activity overlaps fiscal years or if payment for services delivered during the fiscal year was delayed. Nutrition education project obligations must be established in the fiscal year the funds are appropriated but disbursements against these obligations may occur after the fiscal year closes. Federal reimbursement is subject to the availability of Federal funds. States agencies have a 2-year deadline to claim prior year costs. Expenditures must be submitted within 2 years after the calendar quarter in which the State (or local) agency incurred the cost.

#### **Allowable Costs**

Allowable costs are specified under OMB Circulars A-87, A-21, and A-122, Departmental rules at 7 CFR 3016 and Food Stamp Program rules at 7 CFR Part 277. To be allowable, all costs charged to FNS must be valid obligations of the State, local government or sub-grantee.

## State Plan Amendments

If State agencies determine that actual expenditures will exceed planned expenditures, a State must submit a plan amendment prior to incurring the expenses for Federal approval to ensure that costs are allowable, reasonable and necessary. Further, if the scope of the activities in a plan change, regardless of the impact on the planned expenditures, a State must submit a plan amendment for FNS approval.

### A. Allowable and Unallowable Administrative Expenses

*Allowable administrative costs* are costs for operating the Food Stamp Nutrition Education Program which include all administrative expenses that are reasonable and necessary to operate approved nutrition education activities. Allowable administrative expenses include:

- salaries and benefits of personnel involved in food stamp nutrition education and administrative support;
- office equipment, supplies, postage, duplication costs and travel that is necessary to carry out the project's objectives;
- development and production of food stamp educational materials;
- lease or rental costs;
- maintenance expenses;
- other indirect costs;
- charges for travel for the purpose of fulfilling the approved plan based on official State, local or university travel regulations.

*Unallowable administrative expenses*- Listed below are unallowable costs per A-87 and A-21 for State and local governments: (Similar lists are found in A-122, the Circular applicable for non-profit organizations).

- Bad Debts- Uncollected accounts or claims, and related costs.
- Contingencies- Contributions to an emergency reserve or similar provision for unforeseen events. (These are not insurance payments which are allowable).
- Contributions and Donations- (Usually these are political in nature.)
- Entertainment-Costs which are primarily for amusement or social activities. (This is actually one with a lot of exceptions. Meals for example are cited in the Circular, but within the context of training, meals might be allowable. There are a number of costs here which require a reasonable judgment based on why or when the activity takes place).

- Fines and Penalties- Violations or penalties for failure to comply with Federal, State, or Local laws.
- Governor's Office- Specifically costs of general government. Costs which may be directly charged to a Federal grant may be allowable. (For example if a person assigned to the governor's office devotes 100 percent of his/her time to the Food Stamp Program, the cost may be allowable. Each situation, however, must be judged on its own merit).
- Indemnification- Payments to third parties and other losses not covered by insurance.
- Legislative expenses.
- Losses Not Covered by Insurance (see Indemnification above. These costs are similar, but not the same).
- Under Recovery of Costs under Federal Funding Agreements- Shortfalls in one grant cannot be charged to another Federal grant. (This is not the same as charging two Federal grants for a share of the costs of the activity if both agencies benefit from the activity funded. However, an allocations basis must be established for sharing the costs in proportion to the benefit each receives.)
- Alcoholic Beverages.

For *A-21* there are some *unallowable cost* categories in addition to those listed above:

- Advertising and Public Relations- Unless used for recruitment of staff, acquisition of material for the grant, or publishing the results of the grant.
- Alumni Activities.
- Commencement and Convocations.
- Legal Fees Which Result From a Failure to Follow Federal, State or Local Laws. If certain conditions are met, the Federal government may allow some legal fees.
- Executive Lobbying.
- Goods and Services for Private Use.
- Housing and Personal Living Expenses.
- Interest, Fund Raising, and Investment Management- (For interest, there are exceptions. But if the cost is shown it needs to be examined in light of the exceptions.)
- Any and All Political Party Expenses.
- Preagreement Costs- All costs incurred prior to the grant award.
- Scholarships and Student Aid- (There are exceptions which should be reviewed if these costs appear in budget.)
- Student Activity Costs.

- Travel- Allowable but with restrictions as to amounts involved, level of transportation costs (i.e. no first class tickets).

### *Reasonable and necessary costs*

While the OMB circulars spell out what is allowable, costs that may be covered by the Food Stamp Program for nutrition education must also meet a "reasonable and necessary" test.

#### **Reasonable Costs**

- Provide a program benefit generally commensurate with the costs incurred,
- Are in proportion to other program costs for the function that the costs serve,
- Are a priority expenditure relative to other demands on availability of administrative resources, and
- Carry constructive nutrition education messages consistent with dietary guidelines

#### **Necessary Costs**

- Are incurred to carry out essential functions
- Cannot be avoided without adversely affecting program operations
- Do not duplicate existing efforts

*Note: Remarks in parentheses represent clarification by the Food and Nutrition Service and are not Circular language.*

#### **A.1 Property Procurement and Management**

The State agency and all sub-grantees must follow procurement requirements found in 7 CFR 3016.

The State agency must receive prior Federal approval before procuring or requesting reimbursement for equipment valued at more than \$5,000 per item. Review and approval of equipment acquisition is normally conducted during review of the proposed budget. Budget review should ensure that proposed equipment requests do not duplicate previous year's equipment purchases for the same project. Inventory records must be maintained for equipment that is paid for in full, or in part, with Federal funds. A physical inventory is required every two years.

#### **A.2 Indirect Cost Rate**

Indirect cost computation is based on policy prescribed by the Office of Management and Budget (OMB). The intent of the OMB policy is to ensure that the Federal Government bears its fair share of costs in accordance with generally accepted accounting principles.



Indirect costs are defined as those that benefit more than one program but are not easily identified to a specific program. The general rule is that if a cost can be readily attributed to a specific program it should be classified as a direct cost rather than be included in the indirect cost pool.

One basic computation method is to 1) identify all the costs that are considered indirect costs because they serve several programs (e.g., payroll, computer center, personnel), 2) total indirect costs, 3) identify all the programs that are served by indirect costs 4), total the direct costs of all the programs served. Divide total indirect costs by total direct costs, which results in an "Indirect Cost Rate." This rate is then applied to the direct costs of each program (in this case nutrition education) and the result is charged to the program as its "indirect cost."

Indirect Cost Plans and Applicable Rates- The use of indirect cost plans by colleges and universities is allowable. However, unless justification is provided, only the off-campus rates may be used. In addition, if additional categories, such as "other sponsored activities", are covered, the instructional rates can not be used without justification. In most plans only one rate may be used for each program charged. As a result, any justification for using either the on-campus or off-campus rate must be based on where the majority of the allowable activities take place. In this case the allowable activities are defined as those activities that provide nutrition education to the recipient population. Other activities, such as research and data analysis, while allowable, are not understood to be the primary purpose of food stamp nutrition education, and therefore are not to be used in determining where the majority of the activities take place.

Small local agencies may not have staff with the expertise to develop indirect cost rates. They should, however, be able to go to their State agency for assistance or obtain contracted accounting services as an allowable program cost. Any costs of determining the indirect costs are themselves allowable costs that are included as either direct or indirect costs.

- If the State agency does not accept the responsibility for approving the indirect cost rate, or disapproves the rate, the FNS Regional Office will not accept the rate.
- The State agency must document its plan to indicate acceptance of the indirect cost rate.

State agencies are responsible for ensuring that indirect costs included as part of the State Food Stamp Nutrition Education Plans are supported by an indirect cost agreement approved by the appropriate cognizant agency and are claimed in accordance with that agreement. FNS may request documentation in support of an indirect cost rate. See definitions in Appendix D for more information on "cognizant agency". Local agencies which do not have a cognizant agency to review and approve their rates may apply, through the State agency, for approval to use a rate developed either by or for the local agency. The FNS Regional office may accept or reject use of the rate based on the rate computation documents.

### **A.3 Waiver**

*Exclusivity Clause Waivers.* Food stamp regulations require State agencies to provide "assurance" that nutrition education programs "are conducted exclusively for the benefit of Food Stamp Program applicants and participants" [7CFR 272.2(d)(2)(iii)]. These regulations are consistent with language in the Food Stamp Act. However, State agencies may pursue an "exclusivity waiver" on a project basis to allow each project to conduct activities that inadvertently reach other low income individuals that are not currently participating. The waiver request must document on a project basis that such activities will generally be targeted to Food Stamp Program participants, applicants, and other low-income households. Project is defined in Appendix D as "a discrete unit of nutrition education intervention at the local level with a specifically identified low income target population".

To be approvable, each waiver request for each project must demonstrate that it is targeted generally to Food Stamp Program participants and applicants and that at least 50 percent of the population targeted has gross household incomes that are at or below 185 percent of poverty. Projects with waivers should continue to target their programs to the most indigent of populations.

In developing data for waiver requests, general census, demographic data, school lunch free and reduced price data, and WIC participation data may be used to calculate the extent to which the population targeted meets the income criteria. Asking individuals for personal income data is not an appropriate means to determine whether the target audience is low income, and goes beyond the scope of data needed for waiver purposes. The Census data website is a good source of state county level statistics. See [www.census.gov](http://www.census.gov) or [www.fns.usda.gov/pd/fspmain.htm](http://www.fns.usda.gov/pd/fspmain.htm)

Documentation to show that each project meets these criteria must be submitted in one or more waiver requests. States may submit a separate waiver request for each project or they may submit a listing of local projects for which they are seeking waivers. Regardless of format, the waiver request must contain project-specific information and supporting documentation in sufficient detail to ascertain that each project is targeted to Food Stamp Program applicants and participants, and other low income groups. At least 50 percent of the target audience must have gross incomes at or below 185 percent of poverty. Each waiver request will be approved or denied separately, regardless of format, on the basis of supporting documentation. Statewide waivers are not permissible.

To be approvable, such waiver requests also must provide for the project to offer an educational message about the Food Stamp Program, its benefits, and how to apply as a part of the nutrition education provided.

#### *Exceptions to Requirement for Exclusivity Clause Waivers*

1. Food Distribution Program on Indian Reservations (FDPIR). Because persons eligible for the Food Stamp Program may participate in FDPIR in lieu of the Food Stamp Program, FDPIR participants may be targeted for food stamp nutrition education without waiver, and will be considered as if participating in the Food Stamp Program.
2. Categorically Eligible Persons. Persons eligible for the Food Stamp Program by virtue of their allowable categorical eligibility consistent with Food Stamp Program regulations at 273.2(j) may be targeted for food stamp nutrition education without waiver.

*Use of Private Cash Donation Waivers.* Federal regulations prohibit the consideration of private cash donations as part of a State's expenditures for which FNS will reimburse 50 percent. [7CFR277.4 (c) &(d)]. However, a waiver is permissible with the following assurances:

1. no endorsements of donors or products will be given in connection with the nutrition education activities.
2. no funds will revert back to donor or benefit the donor.

3. Funds are donated without restriction on use for a specific person, institution, or facility.
4. Funds are to be under the State's administrative control.

Assurances that these conditions are met must be included in the State agency's waiver request and noted in the nutrition education plan. As State agencies seek private cash donations, they need to understand these constraints. State agencies may also accept private in-kind donations, but they may not claim their value for Food Stamp Program reimbursement. No waivers are available to permit private in-kind donations to be considered as part of the State's expenditures for which FNS will reimburse 50 percent.

#### **A.4 Donations from Non-Federal Public Agencies**

As specified under 7 CFR 277.4(c)(d)(e), Federal reimbursement for the costs of services or property donated by other non-federal public (i.e., government) agencies is allowable provided that the donated costs are not billed or claimed to another Federal program or used to match another federal program. The State agency must maintain records or an audit trail to support costs directly claimed or used as a match. The match must be for food stamp nutrition education allowable activities.

#### **A.5 Non-Federal Public Agencies**

A non-federal public agency is an organization of State or local government that is supported by funds derived from general tax revenues (receipts) of a State or locality specifically allocated from appropriate budgetary authority such as a State legislature, county or local government. This would include, for example, State or local government financed educational institutions and State funded hospitals. Funding from non-federal public agencies serves as the foundation for calculating a State's total costs of food stamp nutrition education, of which 50 percent is reimbursed with Federal funds.

The Department's Office of General Counsel (OGC) has reviewed whether the term "non-Federal public agencies", as used in 7 CFR 277.4(c), can be interpreted to include "marketing orders, councils and commissions". OGC concluded that marketing orders, councils, and commissions may be included within the term, "non-federal public agency" for the purposes of using the donation as part of State cost for federal matching funds depending on the source from which they derived the budgetary authority and the activity in which they are engaged. To be included as State cost, the budgetary

authority must be delegated through some act of the State legislature or by a branch of State government and the activities in which the entity engage must be governmental in nature. The activities must affect the right of private parties through adjudication, rule making, investigating, prosecuting, negotiating, settling, or informally acting. Membership assessments should be relatively equal among the various members.

The State agency must describe in the plan the source of the entity's regulatory authority and the nature of the activities in which the entity is engaged. The State agency must also describe the relationship of the entity to the objectives of the proposed nutrition education activity. Funding provided by the marketing order should be used to support objectives of the nutrition education activity benefiting the food stamp households. Marketing orders funding for food stamp nutrition education should not be used to promote single-commodity nutrition education messages to the exclusion of the overall nutrition education objectives.

#### **A.6 Medical Equipment**

FNS has determined, based on OMB Circular A-87, that medical equipment or health services related to health assessments of recipients, obtaining clinical data on nutritional status, chronic disease or chronic disease risk assessments are not a necessary and reasonable cost to provide nutrition education in the FSP. Therefore, they are not allowable costs. For example, measurement of height, weight, skinfold thickness, blood pressure, cholesterol, blood glucose and iron levels are not allowable costs. However, salaries and benefits of personnel to administer dietary intake data questionnaires on nutrition knowledge and behaviors are allowable costs.

#### **A.7 Gardening**

Gardening is a beneficial project that leads to the economical production and consumption of healthy and fresh food. The provisions of OMB Circular A-87 allow USDA/FNS to make a reasonable judgment as to what is necessary and reasonable to deliver nutrition education. The cost for the rental or purchase of garden equipment (fertilizer, tractors), the purchase or rental of land for garden plots, seeds, plants, and other gardening supplies are not allowable food stamp nutrition education costs. Only educational supplies, curricula and staff salaries to teach gardening concepts that reinforce the beneficial nutrition aspects of gardening are allowable costs. (Note that participants may use program benefits (coupons/EBT) to purchase seeds and plants for gardening purposes).

## **A.8 Valuation of Publicly Owned Space**

Charges For Publicly Owned Space-Space owned by public entity cannot be charged to a Federal grant based on private market rental rates. The entity can only recover the costs of space through a depreciation schedule or use allowance, applicable charges for utilities, maintenance, and general upkeep.

Federal requirements regarding the valuation of publicly owned space is contained in Office of Management and Budget (OMB) Circulars A-87, 21, and A-110 and Departmental regulations at 7 CFR 3016 and indicate that in no case may publicly owned space be "donated" or billed at fair market rental rates. The only method allowable for calculating reimbursement of publicly owned space is depreciation or use allowance. Fair market rates may not be used for publicly owned space regardless of whether they are direct billed or donated. The cost of space owned by a public agency is the acquisition cost of that space, plus maintenance and utilities. (FNS Policy Memorandum-March 9, 1998)

Example of Calculating Valuation of Publicly Owned Space-Only the depreciation or use allowance method may be used to charge FNS for use of publicly owned space. Depreciation is dividing the cost of the building over its useful life. For example, if a building cost \$50,000 to build and it had a useful life of 20 years, the yearly depreciation would be \$2500. This cost is spread over the square footage of the building, resulting in an annual rate per square foot. Food Stamp Program share would be the amount of space that is used for the FSP. A use allowance is used when the building is fully depreciated. You are allowed to charge no more than 2 percent of the cost of the building per year. In the example above, States could only charge \$1000 per year.

## **A.9 Time Records**

Time records are required for all nutrition education staff devoting less than 100 percent of their time to food stamp nutrition education unless a federally approved Random Moments Time Study is used to allocate the time spent on allowable activities. A semi-annual certification for staff which spend 100 percent of their time on food stamp nutrition education is required.

States preparing food stamp nutrition education plans should review staff allocation time records for activities eligible for reimbursement. Budget sections of State plans should confirm that time records are documented

weekly for nutrition education staff devoting less than 100 percent of their time to the project. OMB Circular A-21 allows for time reporting less frequently than weekly; however, FNS policy requires weekly time reporting. Grantees who have federally approved Random Moments Time Studies need not use time records to document time spent on allowable activities. State agencies may submit alternative methods of calculating time with appropriate justification for consideration by the FNS regional office. The FNS region may consider and approve alternative methods of calculating time that provide a reasonable assurance of accuracy of the time estimate. Time records need not be submitted with the plan but should be maintained by the project for audit. (FNS Policy Memorandum-April 1998)

*Alternatives To Time Records-* For staff employed by universities and colleges, an alternative to time records or time studies is allowed under OMB Circular A-21. This alternative is called Plan Confirmation. Plan Confirmation is a process whereby staffing estimates are used to claim costs during an academic period, usually a semester. At the end of the period, the grantee confirms that the estimate was either correct or incorrect. FNS will accept the use of Plan Confirmation for charges to the Food Stamp Program providing appropriate approval has been received from the DHHS Division of Cost Allocation (DCA). Approval is on an exception basis from DCA. If a University has requested the use of Plan Confirmation, and the most recent audit does not disclose any issues with its use, approval is granted. For any university or college that has requested Plan Confirmation, and has had an audit that supported its use, FNS will allow the university or college to use Plan Confirmation for charges to FNS.

#### **A.10 Membership, Subscription, and Professional Activity Cost**

Cost of institution memberships in business, technical, and professional organizations are allowable. These memberships, subscriptions, and professional activity costs must be consistent with the effort to promote the provision of quality nutrition services to Food Stamp participants. Costs of institutional memberships for nutrition personnel that work directly with the Food Stamp nutrition education project are reimbursable. The cost to the institution must be prorated according to the percentage of time actually spent by the employee in performing nutrition education activities for the food stamp project. Professional registration or license fees paid by individuals would not be allowable costs since the fees would be considered personal expenses, not institutional expenses.

### **A.11 Nutrition Education Reinforcement Materials**

Nutrition education reinforcement materials refers to a class of goods that are given to applicants, participants, potential participants, or persons closely associated with the Food Stamp Program (such as staff) containing or conveying good nutrition messages for the purpose of reinforcing nutrition messages and promoting good nutrition practices and increased physical activity. Such items must have a direct relationship to program objectives and the expected behavior change. Other terms that are used to describe these items include memorabilia, souvenirs, promotional items, incentives, and educational extenders. Such items are allowable costs only if they are deemed reasonable and necessary, contain or reinforce good nutrition messages, and are of nominal value (\$3 or less per item).

FNS could not relate program reinforcement materials to any of the cost items specifically mentioned in the OMB Circular A-87 and A-122. FNS/USDA must, therefore, apply the circulars' general rule for determining the allowability of costs, paramount among which are the reasonable and necessary cost tests.

Program reinforcement materials for nutrition education also must:

- be targeted to Food Stamp Program participants,
- have a clear relevance and useful connection to particular FNS/Food Stamp Program nutrition education messages,
- either contain an educational message or have a use that is directly relevant to reinforce nutrition education messages, (example, disposable thermometer to reinforce food safety)
- have value as nutrition education aids,
- be reasonable and necessary in terms of cost and relevance,
- be offered only after weighing and assessing other relative needs and cost effectiveness,
- be of nominal value of \$3 or less per item,
- not be used solely for staff morale boosters.
- if for physical activity promotion, must be provided in conjunction with relevant nutrition and physical activity message



### Examples of Allowable and Unallowable Program Reinforcement Materials

FNS/USDA is not able to provide exhaustive lists of specific allowable and unallowable items. However, using the criteria listed in the preceding paragraph, some illustrative examples of allowable and unallowable program reinforcement materials are provided below:

#### Examples of Allowable Nutrition Education Reinforcement Items:

Calendars that contain important nutrition education messages, refrigerator magnets picturing the Food Guide Pyramid, measuring cups, measuring spoons or other items of nominal value which reinforce an important nutrition message. Examples of available messages include, Thermy™ the food thermometers' safety message ("It's safe to bite when the temperature is right"), the 5 A Day Campaign, or USDA's **EAT SMART. PLAY HARD.™** Campaign.

#### Examples of Unallowable Nutrition Education Reinforcement Items:

Celebratory items, and items designed primarily as staff morale boosters; items (even of nominal value) that are not reasonable or necessary and/or have no nutrition education message; any program incentive item intended for persons who are not Food Stamp Program participants or applicants, or with a waiver, low-income non-participants; any item costing more than 3 dollars.

## **A.12 Physical Activity**

The *Dietary Guidelines for Americans (DGAs)* (<http://www.usda.gov/cnpp>) provide the framework for nutrition policy in FNS nutrition assistance programs. The 2000 DGA embrace maintenance of a healthy weight and improved fitness level. As such, FNS supports the 2000 DGAs concept on physical activity. The provisions of OMB Circular A-87 allow USDA/FNS to make reasonable judgments as to what is necessary and reasonable to deliver nutrition education. Given the DGA, the inclusion of physical activity promotion as a part of the food stamp nutrition education and promotion is an allowable expenditure.

The following is guidance on what constitutes allowable food stamp nutrition education costs in support of the physical activity DGA. Essentially, such allowable costs are limited to activities that educate about and promote physical activity, such as providing Food Stamp Program participants with information and encouragement to exercise, brief exercise demonstration, and referral to local resources.

It is recommended that State agencies balance program goals for promoting and supporting physical activity with other competing priorities, cost

accountability issues, and liability concerns. The latter is crucial because of the risks associated with engaging in physical activity, which must be seriously considered.

The following form the basic principles of FNS FSP policy on physical activity:

- Educational and program materials developed to promote and reinforce physical activity for all target audiences should include messages that link nutrition and physical activity, such as Eat Smart. Play Hard™.
- All programming such as workshops, conferences, and trainings that encourage physical activity should include a nutrition education component.
- FNS program cooperators may use nutrition education funds to develop nutrition education and physical activity materials that are reasonable and necessary.
- Existing materials, such as Team Nutrition, Loving Support, Eat Smart. Play Hard™, etc., must be used and/or adapted whenever possible rather than developing new materials. Purchase and use of existing successful model interventions developed by others would be preferable to developing new materials. If new materials are developed, documentation of why existing materials are inadequate is required.
- FNS program cooperators are encouraged to coordinate with community, faith-based and youth organizations, and others that can make regular opportunities for physical activity accessible to children, youth and adult target populations.

#### Examples of Unallowable Physical Activity Education and Promotion Costs

Costs incurred for health club or gym memberships, dues, equipment, (such as bicycles, treadmills, stair steps, weights, and the like); facilities (rental or modifications); ongoing classes, exercise leaders for ongoing exercise classes. Note that the educational reinforcement items meeting the definition in A.11. above are permitted when they are of nominal value (\$3 or less per item).

### Examples of Allowable Physical Activity Education and Promotion Costs

Food Stamp Program State agencies may make physical activity education and promotion coupled with nutrition education available to Food Stamp Program participants in a variety of economical ways.

The development of educational materials to teach physical activity concepts and to reinforce the health benefit of physical activity are allowable costs when these activities also promote nutrition education.

As customary, before developing new materials, look to resources available through FNS and other Federal and State sources, including other credible sources. If new materials are needed, justify their development. Also, when developing materials, we recommend the utmost care be taken in the assessment of the target audience and its needs in the accuracy of physical activity statements and advice is strongly recommended. A certified physical fitness professional should be consulted throughout the development phases of these materials. The cost of such consultation is allowable if it meets a reasonable and necessary test.

Purchases of educational materials promoting physical activity for program participants. Examples of educational materials include brochures, newsletters, posters, public service announcements, and audiotapes, videotapes, and DVDs. These materials may be purchased or obtained free from reliable sources such as government organizations, physical activity associations, or other authorities on the subject.

Physical activity education and promotion as part of nutrition education sessions in the Food Stamp Program may include provision of advice, demonstrations (instructional in nature, and not for ongoing classes), and community resource information, (such as a free local fitness event) in order to encourage program participants to engage in regular physical activities.

Consistent with A.11 above, program reinforcement items that are reasonable and necessary to reinforce increased physical activity, and that cost \$3 or less are allowable.

Additional examples of acceptable physical activity promotion may include:

- Information on local sites where Food Stamp Program participants can access a diverse range of low or no-cost activities appropriate for different ages and physical abilities.
- Physical activity bulletin boards or displays around the food stamp offices, clinics or community.
- Referral to library or web site resources.
- Development and provision of information and resource lists to Food Stamp Program recipients on how to promote safe and enjoyable physical activities. This information may also be available from:
  - Affiliates of voluntary health organizations (e.g., the American Heart Association).
  - State and local health departments.
  - Governor's Councils on Physical Fitness and Sports.
  - National Fitness Coalition
  - Coalition for Promotion of Physical Activity
  - State associations for health, physical education, recreation, and dance.
  - National Centers for Chronic Disease Prevention and Health Promotion.
  - Materials can be ordered in bulk from:

The President's Council On Physical Fitness and Sports  
200 Independence Avenue SW  
Room 738-H  
Washington, D. C. 20201-0004  
[www.fitness.gov](http://www.fitness.gov)

The American Dietetic Association  
National Center for Nutrition and Dietetics  
216 West Jackson Boulevard  
Chicago, Illinois 60606-6995  
[www.eatright.org](http://www.eatright.org)

- Another source of information is:  
National Recreation and Park Association  
22377 Belmont Ridge Road  
Ashburn, Virginia 20148-4501  
[info@nrpa.org](mailto:info@nrpa.org)<<mailto:info@nrpa.org>>

### **A.13 Medical Nutrition Therapy**

This is not an allowable cost. Medical nutrition therapy is not within the scope of the Food Stamp Program. . Since this activity is an unallowable cost for the Federal share of costs, it is also not allowable for use in meeting the State match. If a food stamp educator becomes aware of an individual's need for a therapeutic diet, a local referral may be made

Allowable food stamp nutrition education are those health promotion activities and interventions aimed at primary prevention of disease. Activities to help people establish an active lifestyle and healthy eating habits early in life and maintain these behaviors throughout their lives would be health promotion. Activities to help people who have "risk factors" for chronic disease prevent or to postpone the onset of disease by establishing more active lifestyles and healthier eating habits would be primary prevention interventions.

Secondary prevention interventions and medical nutrition therapy are not allowable food stamp nutrition education expenditures. Secondary prevention interventions include activities that help people who already have a chronic disease cope with and control these conditions and prevent additional disability.

(See Definitions in Appendix D for a fuller discussion of medical nutrition therapy and secondary prevention interventions.)

## **B. Sources of State Share Program Cost**

### **B.1 Private, Third-Party, In-kind Donations**

The Food Stamp Nutrition Education State plan is approved for a specified level of funding. The federal government reimburses the State for 50 percent of allowable costs incurred by the State. The federal government is authorized to reimburse a State agency only for actual expenditures incurred. Because the value of private, third party, in-kind donations, including volunteer services, do not represent any State expenditure or outlay, they are not considered as a cost to the program, and thus are not reimbursable.

As specified under 7 CFR 277.4(e), the value of services rendered or the value of goods (i.e., in-kind) donated by private, third parties, including volunteer services, are not allowable for reimbursement purposes under the Food Stamp Program. However, State agencies are not prohibited from accepting private, third party in-kind donations.

### **B.2 Private, Third-Party, Cash Donations**

Private, third-party cash donations are not generally allowable for reimbursement purposes. However, the State agency may request a waiver. (See A.3 for Waivers)

### **B.3 Other Federal Funds**

The State agency's share of program costs may not include funds paid by the federal government under another assistance agreement unless authorized under that agreement and its laws or any non-Federal funds contributed for another federally-assisted program unless authorized by Federal legislation. Consequently, federal funds provided by USDA's Cooperative State Research Education and Extension Service (CSREES) to the 1862 and 1890 Land Grant Universities or to the State's Cooperative Extension Service (and any State or non-federal match for those Federal funds) may not be used as part of the State agency's share of Food Stamp Program costs. However, certain federal legislation supporting funding to Indian Tribal Organizations (ITO) contains "other Federal laws notwithstanding" language which allows tribal governing bodies to use Federal funds as matching to receive other federal funds. An ITO that chooses to submit a nutrition education plan for inclusion in the State plan can use federal funds as a local source of matching to request reimbursement for food stamp administrative funds.

In such circumstances, the State agency must provide assurance that the source of local matching funds is a federal grant containing the "notwithstanding" language, and must clearly specify the intention to use federal funds, the amount of the funds, the Federal agency source, and the citation that authorizes those Federal funds to be used as a match for other Federal funds. Also, a copy of the grant agreement between the ITO and the Federal agency must be available for review.

## **C. Other Miscellaneous Issues**

### **C.1 Federal Royalty Rights**

The Food and Nutrition Service reserves a royalty-free, non-exclusive right to reproduce, publish, use or authorize others to use videos, computer programs such CD-ROM and related source codes, literature, or other products produced with Food Stamp Program funds for government purposes. The State and local agencies may sell videos or literature to other States for Food Stamp nutrition education purposes at the cost of reproduction, plus shipping and handling. If a State agency (or local agency) realizes a profit from the sale of nutrition education materials, [videos, literature, etc. paid with federal dollars], it must report the amount to FNS as program income on the SF-269 form.

### **C.2 Disclosure and Sharing of Case File Information**

Under the provisions of both the Food Stamp Act of 1977, as amended, (the Act) and Food Stamp regulations, case file information on Food Stamp Program recipients is considered confidential and may not be released unless certain conditions are met. Section 11(e)(8) of the Act provides a limited exception to the confidentiality provision. Disclosure of information obtained from applicant households may be made only to persons directly connected with the administration of Food Stamp Program.

Previous guidance noted that the Expanded Food and Nutrition Education Program, administered by the USDA Cooperative Extension Service, met the exception provision of the Act and could therefore request certain recipient information from the State agency. This was not intended to limit the exemption provision to this Program or agency. Any organization that has a legal agreement with the State agency, may, upon request to the State Food Stamp Program agency, be permitted access to recipient information. Since the type of information requested may require State designed ad hoc reports, it is best to not request local offices to provide information.

Request examples may include non-financial information such as name of head of households with children, address, telephone numbers, or address labels for all elderly by zip codes. The information may be released solely for administration of the FSP. In this case, this means for assistance in targeting and delivering nutrition education to food stamp applicants and participating households. The receiving organization must assure that the information is shared only with relevant persons for the purpose of the targeting and delivering nutrition education, and must protect it from disclosure to other parties. Each State agency will determine the scope and type of information, based on its judgment, that may be released for purposes of providing nutrition education to applicable households.

### **C.3 Scholarships and Tuition**

OMB Circular A-21 makes a distinction between scholarships, fellowships, and other similar financial transactions, and tuition remission and similar work/study payments. For scholarships, costs may only be charged if (1) the purpose of the scholarship is for training of selected students, and (2) approval is granted by the grantor agency. There would need to be a necessary and reasonable judgment for approval of any scholarship payment shown as a cost to food stamp nutrition education. In general, this is not a cost that would be necessary and reasonable for the purposes of this grant. In the event the scholarship is based on research activity, FNS would normally not accept the cost as being necessary and reasonable. The primary function of food stamp nutrition education is teaching nutrition education to food stamp recipients. While basic research may be a commendable activity for developing new methods or data, it is beyond the basic purpose of this grant.

Tuition remission on the other hand may be allowable in whole or in part, depending on the situation. The criteria for approval is:

1. There is a bona fide employer-employee relationship between the student and the institution for the work performed.
2. The tuition or other payments are reasonable compensation for work performed and are conditioned explicitly upon the performance of necessary work. Again any research activity should be carefully reviewed and in most cases not approved due to the fundamental differences in our grants and other grants provided for nutrition education.
3. It is the institution's practice to similarly compensate students in non-federally funded activities as well as federally funded grants.



Students who are working on food stamp nutrition education under a tuition remission situation must account for their time, as would any full time or part time staff. The financial review of this charge must take into account both the type of work performed and the number of hours worked. Again, a necessary and reasonable judgment must be made as to purpose of the work and its impact on food stamp nutrition education program.

#### **C.4 Examples of Allowable and Unallowable Costs**

The following table provides some examples of allowable and unallowable costs

## **EXAMPLES OF ALLOWABLE COSTS**

<u><b>ALLOWABLE</b></u>	<u><b>UNALLOWABLE</b></u>
<b>Literature/Materials/Audiovisuals</b>	
<ul style="list-style-type: none"> <li>• Fact sheets, brochures, newsletters, etc., that are produced for distribution to food stamp recipients and applicants about nutrition education related topics such as food choices, food budgeting and food preparation. Costs for nutrition education material are encouraged to be shared between programs. The State agency must describe the method used for allocating costs between the programs.</li> </ul>	<ul style="list-style-type: none"> <li>• Any nutrition education literature paid for by another federal or private program or source.</li> <li>• Any material that endorses or promotes brand name products or retail stores.</li> <li>• Manufacturer's or store (cents off) coupons.</li> <li>• Influencing a store's pricing policy.</li> <li>• Any activity or material to lobby or influence Federal, State, or local officials to pass or sign legislation or to influence the outcomes of an election, referendum, or initiative.</li> <li>• Negative written, visual, or written expressions about specific foods, beverages, or commodities.</li> <li>• Distribution of nutrition education reinforcement items over \$3.</li> </ul>
<b>Media Campaigns</b>	
<ul style="list-style-type: none"> <li>• Local radio and television announcements of nutrition education events for food stamp applicants and participants. Media announcements promoting nutrition messages to food stamp households within the community. With an approved project waiver, the target audience may be expanded to other low-income people.</li> </ul>	<ul style="list-style-type: none"> <li>• Media campaigns to promote or present nutrition messages, which are not explicitly targeted to low-income or to the food stamp eligible population within the community. Nutrition education messages which convey negative messages about a disparage specific foods, beverages or commodity, or which are consisted with the Dietary Guidelines for Americans.</li> </ul>
<b>Equipment</b>	
<ul style="list-style-type: none"> <li>• Purchase of office equipment. A county can donate equipment and use fair market value; however, any fair market value has to be adjusted to reflect Federal funding provided for the equipment. (This can be arrived at by multiplying the fair market value times the State's percentage share invested in the equipment.)</li> <li>• Equipment shared with non-FSP users that is cost-shared with those users.</li> <li>• Kitchen appliances only with justification of reasonable and necessary need.</li> </ul>	<ul style="list-style-type: none"> <li>• Electronic equipment that exceeds prior approval thresholds (i.e., \$5,000) unless such prior approval is received from FNS.</li> <li>• Medical Equipment.</li> </ul>
<b>Food Demonstration</b>	
<ul style="list-style-type: none"> <li>• Cost of food for recipe/taste testing purposes and cost of kitchen equipment and supplies necessary for food storage, preparation and display of food prepared for demonstration purposes.</li> <li>• Food samples associated with a nutrition education lesson.</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing snack or food service</li> <li>• Meal size portions or complete meal service.</li> </ul>

ALLOWABLE	UNALLOWABLE
Nutrition Education	
<ul style="list-style-type: none"> <li>• Classroom setting (salaries, space, equipment, materials) for food stamp recipients on nutrition related topics (e.g., food budgeting, preparation, safety). Primary purpose of class must be to provide nutrition education. If nutrition education is included with other topics, only that portion of class pertaining to nutrition education is an allowable cost.</li> <li>• Physical activity demonstration, promotion, referral that includes a nutrition message.</li> <li>• The pro rata share of costs of classes that are provided in conjunction with another program (e.g., WIC), provided the State agency describes the method for allocating costs between the programs.</li> <li>• Breastfeeding education, promotion and support which is coordinated with WIC and which supplements and complements WIC services, rather than supplanting them.</li> </ul>	<ul style="list-style-type: none"> <li>• Classes that are designed to provide case management or "life skills" training (e.g., classes on English as a second language, parenting, child development, crisis management, rental information).</li> <li>• Medical nutrition therapy, and secondary prevention interventions (Refer to Appendix D, Definitions)</li> <li>• Ongoing physical activity and exercise classes, equipment or facilities. (Refer to Appendix C Physical Activity Cost Policy Section)</li> <li>• Nutrition education costs that are charged to another Federal program (e.g., WIC, EFNEP, Head Start, etc.)</li> <li>• Breastfeeding education, promotion and support that duplicates or otherwise is provided for under other funding sources such as WIC, EFNEP, or Head Start.</li> </ul>
Space Allocation	
<ul style="list-style-type: none"> <li>• Space allocated between programs in which the plan for the space/cost allocation between programs is documented and the costs are tracked.</li> </ul>	<ul style="list-style-type: none"> <li>• In-kind charges for space that is donated by a private third-party or costs that are fully funded by another program (e.g., USDA WIC and EFNEP programs), or the FSP, i.e. FSP county waiting room.)</li> </ul>
Training and Other Costs	
<ul style="list-style-type: none"> <li>• Training for staff directly related to providing nutrition education to food stamp applicants/recipients.</li> <li>• General briefings to community health care providers generally serving low-income communities about food stamp program nutrition education in the community.</li> <li>• Reimbursement for personal costs (such as child care, meals, lodging, and transportation) for recipients of food stamp nutrition education to actively participate in focus groups, needs assessments and advisory groups to inform and improve nutrition education effectiveness.</li> </ul>	<ul style="list-style-type: none"> <li>• Personal costs for recipients to attend nutrition education classes such as child care and transportation services.</li> <li>• Reinforcement items over \$3. (Refer to Appendix C Cost Policy Section- Program Reinforcement Items)</li> <li>• University courses on technical or clinical subjects that are not relevant to the practical delivery of participant nutrition education.</li> <li>• Lobbying</li> <li>• Costs associated with supporting and maintaining environmental or system changes in the community, such as staffing, infrastructure, equipment, space, land, or supplies,</li> <li>• Training or development costs of food service workers or others not directly associated with delivery of food stamp nutrition education.</li> </ul>

## APPENDIX D

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### DEFINITIONS

These definitions are for clarification of terms that may be used throughout the guidance.

**Activity** refers to actual work performed by program personnel to implement objectives.

**Applicant** refers to person/households who have actually applied for the FSP.

**Behavior** indicates action rather than knowledge or attitudes.

**Behaviorally Focused Nutrition Messages** are those that are (a) related to healthy food choices, for example, eating lower fat foods, adding one fruit each day, and switching to whole grain breads; (b) related to other nutritional issues, for example encouraging breast feeding practices, or physical activity (c) related to the environmental impact of dietary practices, including safe food handling, promoting community walking groups (d) related to food shopping practices that increase purchasing power and availability of food including using store coupons, joining store clubs for added discounts, and purchasing in bulk, and (e) food security such as applying for nutrition assistance programs (i.e. WIC, Food Stamp Program, Child Nutrition Programs, Food Distribution Programs, etc).

**Budget Projection, FNS-366A** is a budget report submitted by State agencies to FNS to request the amount of annual funds needed to operate the Food Stamp Program. It is the form used to support the annual funding request. Any need for additional funds require a revised 366A.

**Cognizant Federal Agency** refers to the Federal agency that has been identified by OMB that is responsible for establishing indirect cost rates. For more information see item A.2 Indirect Cost Rate in Appendix C.

<u>Organization</u>	<u>Cognizant Federal Agency</u>
State Public Assistance Agencies	Dept. of Health and Human Services (DHHS)
All Other State agencies	Federal agency identified by OMB
Educational Institution	Department of Education, Department of Defense-Naval Research or DHHS, depending on which provided more Federal funds over the last 3 years
Nonprofit Organization	Normally the Federal agency with the largest dollar value of award with the organization

**Direct Contact** is a face-to-face contact with a person or a household to deliver nutrition education, an educational class, workshop, group discussion, one-on-one intervention, etc.

**Effectiveness** is the extent to which pre-established objectives are attained as a result of program activity, as indicated by performance measures.

**Fiscal Year** is the Federal Fiscal year that runs from October 1<sup>st</sup> of one year through September 30<sup>th</sup> of the following year.

**Grantee** means the agency of the State responsible for administering the Food Stamp Program. Federal funds are paid to this agency for all food costs, and for 50 percent of all non-food expenditures, including program administration and nutrition education. The grantee in turn takes agreements with local agencies (subgrantees) to conduct nutrition education activities. Federal funds are made available to pay for half of all allowable nutrition education costs on a reimbursement basis.

**Indirect Contact** is the delivery of nutrition education to a household or a person through an indirect and generalized strategy, such as public service announcements, billboards, newsletters, and social marketing.

**Lobbying** is any activity or material to influence Federal, State, or local officials to pass, or sign legislation or to influence the outcomes of an election, referendum, or initiative.

**Low Income Persons** are people participating in or applying for the Food Stamp Program, as well as people with low financial resources defined as gross household incomes at or below 185 percent of poverty. National School Lunch Program data

on number of children eligible for free and reduced price meals, which represents children in families with incomes at or below 185 percent of poverty, or Census data identifying areas where low income persons reside, are available data sources that can be used to identify low income populations. Participation in WIC may also be used as a proxy for low income since WIC participants have gross family incomes below 185 percent of poverty.

**Marketing Orders** generally refer to USDA or State programs that support prices and consumption of various fruits, vegetables, milk, eggs and meat programs. Funds are collected from the producers and used to publicize the item in question. Limits to production are also enforced. (For example both Florida and California have orange marketing order boards). With some constraints, money and services provided by marketing boards can compromise an allowable component of a State Plan. However, the promotion of a specific item (for example, only oranges) is not an allowable expense.

**Medical Nutrition Therapy Services** means the assessment of the nutritional status of patients with a condition, illness, or injury (such as diabetes, hypertension, gout, etc.) that puts them at risk. This includes review and analysis of medical and diet history, laboratory values, and anthropometric measurements. Based on the assessment, nutrition modalities most appropriate to manage the condition or treat the illness or injury are chosen and include the following:

- Diet modification and counseling leading to the development of a personal diet plan to achieve nutritional goals and desired health outcomes.
- Specialized nutrition therapies including supplementation with medical foods for those unable to obtain adequate nutrients through food intake only; parenteral nutrition delivered via tube feeding into the gastrointestinal tract for those unable to ingest or digest food; and parenteral nutrition delivered via intravenous infusion for those unable to absorb nutrients.

Medical Nutrition Therapy Services are not allowable food stamp nutrition education costs.

**Needs Assessment** is the process of identifying and describing the extent and type of health and nutrition problems and needs of individuals and/or target populations in the community.

**Non-Federal Public Agency** is a State or local government agency or entity, including State universities and colleges, and instrumentalities of the State, such

as organizations that are chartered by State or local governments for public purpose.

**Nutrition Education Plan** is an official written document which describes food stamp nutrition education services to be provided. It should clearly describe goals, priorities, objectives, activities, procedures used, and resources including staff and budget, and evaluation method.

**Plan Confirmation** means a time and effort reporting process that is an acceptable alternative to time studies or time records for universities and colleges only. The use of Plan Confirmation is allowable only for those schools that have submitted a request to the Division of Cost Allocation, DHHS, and have had an audit completed which supports the use of Plan Confirmation. Universities which have pending requests, and for whom audit approval has not been received, will be required to continue to use time records to account for charges to FNS (Normally this will not be an issue since audits normally occur at least every two years). For further information refer to OMB Circular A-21. If approval through the audit process has not occurred, the Division of Cost Allocation, DHHS, should be contacted as follows:

The U.S. Department of Health and Human Services  
Office of the Secretary  
Division of Cost Allocation  
200 Independence Ave, S.W.  
Washington, D.C. 20201  
Telephone: 202-401-2808  
Toll Free: 1-877-696-6775

**Project** means a discrete unit of nutrition education intervention at the local level which is distinguished by a specifically identified low income target population. The term "Project" is intended to apply to a geographic area for the sole purpose of developing and supporting a request for a waiver to serve a target population that is low income, but not necessarily participating in or applying for the Food Stamp Program. Census data by zip code or census tract are sources of documentation.

**Public Education Outreach Message** is a brief message providing information on the availability, benefits, and application procedures for the Food Stamp Program, preferably with information on local application sites, (or a toll-free number, or other useful information on how to find services). When food stamp nutrition education is provided to low income persons not participating in the Food Stamp Program, by virtue of approved waivers, a critical component of the nutrition

message must be to provide an educational message about the availability and benefits of the program and how to apply. This should be done "in the context" of nutrition education, meaning the Food Stamp Program should routinely be referenced in nutrition education sessions and on materials as an important source of nutrition assistance to help low income persons achieve a better diet.

**Random Moment Time Studies** are time studies conducted through the use of a sampling methodology rather than through a log of each time period worked by the employee. The studies are used to determine the percentage of time worked by activity or program. The purpose of the study is to allocate the cost of time worked among the various activities and funding sources.

**Secondary Prevention Interventions** mean activities that help people who already have a chronic disease cope with and control these conditions and prevent additional disability. Secondary prevention interventions are not allowable costs in the Food Stamp Program.

**Social Marketing** is an audience-centered approach that features multiple and reinforcing channels of communication that seek to influence behavior. Although social marketing efforts often make use of television, radio ads, videos, and brochures, these materials by themselves do not constitute social marketing. Rather, social marketing entails a comprehensive program in which these materials are employed as part of multiple tactics to reach a target audience.

**State Agency** means the agency of State government, including the local offices thereof, which is responsible for the administration of the federally aided public assistance programs within the State, and in those States where such assistance programs are operated on a decentralized basis, it includes the counterpart local agencies which administer such assistance programs for the State agency.

**Subgrantee** means the organization or person to which a State agency, as grantee, takes an agreement to conduct nutrition education activities. Federal funds reimburse the grantee for half of its allowable administrative costs, including nutrition education. The grantee in turn generally will reimburse subgrantees for half of their allowable costs. The subgrantee is accountable to the grantee for the use of funds provided, and the grantee is accountable to The Food and Nutrition Service for the use of all Federal funds provided.



## APPENDIX E

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### FOOD STAMP NUTRITION CONNECTION WEB SITE

The Food and Nutrition Service (FNS) and the National Agriculture Library's Food and Nutrition Information Center (FNIC) sponsor an online resource, called the **Food Stamp Nutrition Connection**. This web site is designed to improve access to Food Stamp Program nutrition resources. Educators nationwide can use this site to identify curricula, lesson plans, research, training, tools and participant materials. The Food Stamp Nutrition Connection is available at [www.nal.usda.gov/foodstamp](http://www.nal.usda.gov/foodstamp)

At the web site, you will find nutrition tools and information specifically addressing the needs of the low-income audiences. This resource is not restricted to materials developed with funding from the Food Stamp Program. Further, material on the site are reviewed for basic quality, but their inclusion on the site does not constitute endorsement by USDA. Major sections of the site include a Training Center, Resource Library, Hot Topics A-Z and Program facts.

We encourage you to subscribe to FSNC-Talk, an electronic mailing list for national, regional and state Food Stamp Program nutrition education contacts. Information about how to join the list is available on the Food Stamp Nutrition Connection web site.

Also, you're invited to share your materials with FNIC so that others may benefit from your experience and expertise. A hard copy and an electronic copy of each document is preferred. Please submit nutrition education or training materials such as videos, curricula, games, handouts, booklets, displays, web-based modules, and lesson plans to the Food Stamp Nutrition Connection Resource System for use on the Web site or in the database. For details on how to submit materials, visit the Sharing Center on the Food Stamp Nutrition Connection Web site at this address: [http://www.nal.usda.gov/foodstamp/Library/sharing\\_part1-2.html](http://www.nal.usda.gov/foodstamp/Library/sharing_part1-2.html). You may also send an email to: [FSNC@nal.usda.gov](mailto:FSNC@nal.usda.gov) or call (301) 504-5414. If you would like to donate a copy of a new resource for review, please address it to:

Food Stamp Nutrition Connection  
Food and Nutrition Information Center  
USDA/ARS National Agricultural Library  
10301 Baltimore Avenue, Suite 105  
Beltsville, MD 20705-2351

Or you may use the following form as a handy way to submit items.

Continuing updates and new developments are planned for the Food Stamp

Contractor's Name: \_\_\_\_\_

Contract Number: \_\_\_\_\_

## STATE SHARE BUDGET JUSTIFICATION

January 1, 2004 through September 30, 2004

### A. PERSONNEL SALARIES:

	Name	Title	Salary or Hourly Rate of Pay	% of Time or # of Hours	Total Salaries
	_____	_____	_____	_____	_____
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____

### POSITION DESCRIPTION:

### B. FRINGE BENEFITS:

### C. OPERATING EXPENSES:

### D. EQUIPMENT EXPENSES:

### E. TRAVEL AND PER DIEM:

### F. SUBCONTRACTS:

### G. OTHER COSTS:

### H. INDIRECT COSTS:

### I. TOTAL EXPENSES:

Contractor's Name: \_\_\_\_\_

Contract Number: \_\_\_\_\_

## STATE SHARE BUDGET

January 1, 2004 through September 30, 2004

TOTAL

**A. PERSONNEL SALARIES**

\_\_\_\_\_

**B. FRINGE BENEFITS** \_\_\_\_\_ % of Personnel Salaries

\_\_\_\_\_

**C. OPERATING EXPENSES**

\_\_\_\_\_

**D. EQUIPMENT EXPENSES**

\_\_\_\_\_

**E. TRAVEL AND PER DIEM**

\_\_\_\_\_

**F. SUBCONTRACTS**

(Itemize if total exceeds \$50,000  
and attach subcontractor  
budgets.)

\_\_\_\_\_

**G. OTHER COSTS**

(Itemize if total exceeds \$50,000.)

\_\_\_\_\_

**H. INDIRECT COSTS** \_\_\_\_\_ % of \_\_\_\_\_ (i.e. Total Direct Costs)

=====

**I. TOTAL EXPENSES:**

\_\_\_\_\_

Exhibit A  
**SAMPLE**  
Scope of Work

South City Department of Health Services  
Contract # 03-15999

**GOAL 1:** To increase the number of low-income South City residents who consume at least 5 servings of fruits and vegetables each day.

**OBJECTIVE 1 :** **Impact:** By September 30, 2004, \_\_\_ % of the target audience will report an increase their preference for at least one fruit or vegetable.

**Process:** By September 30, 2004, a minimum of 200 residents of South City will receive nutrition education emphasizing fruit and vegetable consumption.

**SOCIAL ECOLOGICAL MODEL:** X Individual \_\_\_ Interpersonal: Social/Groups \_\_\_ Institutional/Organizational \_\_\_ Community \_\_\_ Policy/Environmental

**TARGET AUDIENCE:** Ethnicity/Number of Participants Reached/Site: 200 low income South City African American and Latino adult residents

**LOW-INCOME DATA SOURCE:** Census Data by zipcode

ACTIVITIES	WHO IS Performing Activity (See Legend)	EVALUATION	TIMEFRAME (Month/Year)
1. Review and modify culturally appropriate nutrition education materials for classes, specifically to ensure that messages that link chronic disease with low fruit and vegetable consumption, messages which stimulate evaluation of participants' fruit and vegetable intake and how it relates to their risks for developing disease, and promotion of positive expectations for eating at least 5 fruits and vegetables each day. Conduct field test/focus groups and revise materials as needed.	PD, BIH NUT, CHW	Focus group results, file of revised health education materials	10/03 – 12/03
2. Schedule nutrition education classes and workshops. Events will be held at sites such as job training programs, recreation centers, senior centers and churches.	BIH NUT, CHW	Schedule of events	10/03 – 9/04
3. Publicize workshops and classes through neighborhood resident peer works, Spanish language radio, community groups and agencies.	PD, BIH NUT, CHW	Publicity records	10/03 – 9/04
4. Revise pre/post tests for participants. Revise data collection/analysis forms.	PD, BIH NUT	Pre/post tests, forms	10/03

**SAMPLE****SCOPE OF WORK****Contract #03-15999**

5. Provide nutrition education classes, workshops and special events. Classes will be 6, four-week sessions. Classes will be interactive, culturally appropriate and include information on preparing quick, nutritious, low fat, tasty and culturally attractive food, emphasizing fruits and vegetables. Workshops will also address label reading, shopping, healthy weight, food safety, food security and other topics requested by residents.	BIH NUT, CHW	Attendance records, class and workshop lesson plans	01/04 - 09/04
<b>ACTIVITIES</b>	<b>WHO IS Performing Activity (See Legend)</b>	<b>EVALUATION</b>	<b>TIMEFRAME (Month/Year)</b>
6. Conduct written or verbal pre/post tests with at least 50% of participants.	BIH NUT, CHW	<u>Impact</u> : Summary results of pre/post tests including Cullen preference scale	10/03, 09/04
<b>Legend:</b> PD: Project Director; BIH NUT: Black Infant Health Nutritionist; CHW: Community Health Worker			

Exhibit A  
**SAMPLE**  
SCOPE OF WORK

South City Department of Health Services

Contract #03-15999

**GOAL 1:** To increase the number of low income South and West City residents who consume at least 5 servings of fruits and vegetables per day and participate in at least 30 minutes of physical activity 3 days a week.

**OBJECTIVE 2:** By September 30, 2002, a minimum of 400 residents of South and West City will receive nutrition education totaling at least 60 minutes, of whom at least 30% will indicate an intention to choose healthier foods for themselves and their families.

**SOCIAL ECOLOGICAL MODEL:** ☒ Individual ☒ Interpersonal: Social/Groups ☒ Institutional/Organizational ☐ Community ☐ Policy/Environmental

**TARGET POPULATION / Ethnicity/Number of Participants Reached/Site:** Low-income African American and Latino City residents.

**LOW-INCOME DATA SOURCE:** City Low Income Survey by Zip code

ACTIVITIES	WHO IS Performing Activity (See Legend)	EVALUATION	TIMEFRAME (Month/Year)
1. Review and modify culturally appropriate nutrition education materials. Conduct field tests/focus groups and revise materials as needed.	PD, BHD NUT, CHW Nut	Focus group results File of health ed. materials/	10/2003-12/2004
2. Schedule trainings, workshops and special events. Workshops will be held at sites such as job training programs, recreation centers, senior centers and churches.	PD, BHD NUT, CHW Nut	Schedules	10/2003-9/2004
3. Recruit South and West City residents through collaborative partners. Publicize workshops and special events through neighborhood resident peer workers, Spanish language radio, community groups and agencies.	PD, BHD NUT, CHW Nut	Promotional fliers, partner meeting schedules	10/2003-9/2004
4. Revise brief pre- and post test for participants. Revise data collection forms/logs.	PD, BHD NUT, CHW Nut	Pre/post tests Forms/Logs	10/2003

**SAMPLE****SCOPE OF WORK**

Contract #03-15999

ACTIVITIES	WHO IS Performing Activity (See Legend)	EVALUATION	TIMEFRAME (Month/Year)
5. Provide nutrition education through single or multi-session individual and group workshops and trainings. Nutrition education activities will be selected by residents. Workshops will be interactive and will include information on preparing quick, nutritious, low-fat, tasty and culturally attractive food. Additional workshops will teach how to read food labels, how to lose weight, time-saving tips and other topics requested by residents. Conduct written or verbal pre and post tests with at least 30% of participants.	PD, BHD NUT, CHW Nut	Sign-in sheets, workshop lesson plans, pre/post test documentation	10/2003-9/2004
<b>Legend:</b> PD= Project Director      BHD NUT= BHD Nutritionist      CHW Nut= CHW Nutritionist			

**Exhibit A**  
**SCOPE OF WORK**

[Enter Contractor Name]  
[Contract # 03-XXXXX]

**GOAL 1:**

**OBJECTIVE 1: Impact:**  
**Process:**

**SOCIAL ECOLOGICAL MODEL:** \_\_\_ Individual \_\_\_ Interpersonal: Social/Groups \_\_\_ Institutional/Organizational \_\_\_ Community \_\_\_ Policy/Environmental

**TARGET AUDIENCE:** Ethnicity/Number of Participants Reached/Site:

**LOW-INCOME DATA SOURCE:**

ACTIVITIES	WHO IS Performing Activity (See Legend)	EVALUATION	TIMEFRAME (Month/Year)



**Exhibit A**  
**SCOPE OF WORK**

[Enter Contractor Name]  
[Contract # 03-XXXX]

<b>ACTIVITIES</b>	<b>WHO IS Performing Activity (See Legend)</b>	<b>EVALUATION</b>	<b>TIMEFRAME (Month/Year)</b>
<b>Legend:</b>			

Exhibit A  
SCOPE OF WORK

[Enter Contractor Name]  
[Contract # 03-XXXX]

**GOAL 1:** To increase the number of low-income South City residents who consume at least 5 servings of fruits and vegetables each day.

**OBJECTIVE 2:** Impact:  
Process:

**SOCIAL ECOLOGICAL MODEL:** X Individual \_\_\_ Interpersonal: Social/Groups \_\_\_ Institutional/Organizational \_\_\_ Community \_\_\_ Policy/Environmental

**TARGET AUDIENCE:** Ethnicity/Number of Participants Reached/Site: 400 low income South City African American and Latino adult residents

**LOW-INCOME DATA SOURCE:** Census Data by zipcode

ACTIVITIES	WHO IS Performing Activity (See Legend)	EVALUATION	TIMEFRAME (Month/Year)
1.			

## SUBCONTRACT AGREEMENT TRANSMITTAL

This transmittal form is used to obtain the *California Nutrition Network's (Network)* approval for each subcontract agreement costing \$5,000 or more that is paid for with State Share funds. Complete the applicable sections and attach two (2) copies of the following to this transmittal form.

1. A cover letter that briefly describes the necessity or **desirability of incurring** such a cost, and the reasonableness of the cost. Include an explanation of the award process;
2. A signed copy of the Subcontractor agreement which includes;
  - Subcontractor's scope of work; and
  - Subcontractor's line item budget and budget justification.

### I. NETWORK CONTRACTOR IDENTIFICATION:

DATE: \_\_\_\_\_

Contractor Name:	
Contract Number:	
Contact Person:	
(Person to contact regarding completion of this form)	
Phone Number:	Fax Number:

### II. SUBCONTRACTOR IDENTIFICATION:

Legal Name of Subcontractor or Consultant Name:		
Address:		
City:	State: <u>CA</u>	Zip:
Contract Amount:	Term:	
Phone Number:	Fax Number:	
Is the subcontractor a non-profit organization? <input type="checkbox"/> Yes <input type="checkbox"/> No		

### SEND THE COMPLETED FORM AND ATTACHMENTS TO:

Cancer Prevention and Nutrition Section  
ATTN: (Your Contract Manager)  
Department of Health Services  
P.O. Box 942732, MS-7204  
Sacramento, CA 94234-7320

## Network Contractor State Share Program Summary

<b>Organization Name</b>		<b>Contract #</b>	<b>Date</b>
<b>Program Manager</b>		<b>Contract Manager</b>	
<b>Target Audience</b>			
<i>Please check all that apply.</i>			
<b>Age Group/Grade Level</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Pre Kindergarten  <input type="checkbox"/> Grade 1  <input type="checkbox"/> Grade 2  <input type="checkbox"/> Grade 3  <input type="checkbox"/> Grade 4  <input type="checkbox"/> Grade 5  <input type="checkbox"/> Grade 6  <input type="checkbox"/> Grade 7 </div> <div style="width: 48%;"> <input type="checkbox"/> Grade 8  <input type="checkbox"/> Grade 9  <input type="checkbox"/> Grade 10  <input type="checkbox"/> Grade 11  <input type="checkbox"/> Grade 12  <input type="checkbox"/> Young Adult (18-24)  <input type="checkbox"/> Adults (25-64)  <input type="checkbox"/> Seniors (65 and above) </div> </div>		
<b>Ethnicity</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Asian _____ %  <input type="checkbox"/> African American/Black _____ %  <input type="checkbox"/> Latino/Hispanic _____ %  <input type="checkbox"/> Other Ethnicity _____ % </div> <div style="width: 48%;"> <input type="checkbox"/> Native American _____ %  <input type="checkbox"/> Pacific Islander _____ %  <input type="checkbox"/> Caucasian/White _____ %  <input type="checkbox"/> _____ % </div> </div>		
<b>Gender</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;">Male _____ %</div> <div style="width: 48%;">Female _____ %</div> </div>		
<b>Languages</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Spanish  <input type="checkbox"/> Vietnamese  <input type="checkbox"/> Hmong  <input type="checkbox"/> Cantonese  <input type="checkbox"/> Tagalog  <input type="checkbox"/> Other _____ </div> <div style="width: 48%;"> <input type="checkbox"/> Korean  <input type="checkbox"/> Khmer (Cambodian)  <input type="checkbox"/> Armenian  <input type="checkbox"/> Mandarin  <input type="checkbox"/> English  <input type="checkbox"/> Other _____ </div> </div>		
<b>Targeting</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> CalWORKS  <input type="checkbox"/> Census Data  <input type="checkbox"/> GIS Data </div> <div style="width: 48%;"> <input type="checkbox"/> Free Lunch % (for schools)  <input type="checkbox"/> MediCAL Eligibility Rates  <input type="checkbox"/> Other _____ </div> </div>		
<b>Network Channel</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> City-Government Based Projects  <input type="checkbox"/> County Office of Education  <input type="checkbox"/> Indian Tribal Organization  <input type="checkbox"/> Faith Outreach Projects  <input type="checkbox"/> Low Resource School District </div> <div style="width: 48%;"> <input type="checkbox"/> Parks and Recreation Agencies  <input type="checkbox"/> Colleges/University  <input type="checkbox"/> Univ. of California Cooperative Extension  <input type="checkbox"/> Local Health Departments/Local Programs </div> </div>		

## Network Contractor State Share Program Summary

Activities	
<i>Please check all that apply.</i>	
<b>Setting</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Community Center  <input type="checkbox"/> Clinic  <input type="checkbox"/> School  <input type="checkbox"/> Grocery Store                 </div> <div style="width: 45%;"> <input type="checkbox"/> Farmers' Market  <input type="checkbox"/> Restaurant  <input type="checkbox"/> Faith Organization  <input type="checkbox"/> Other _____                 </div> </div>
<b>Levels of Social Ecological Model Targeted</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Individual  <input type="checkbox"/> Interpersonal  <input type="checkbox"/> Institutional/Organizational                 </div> <div style="width: 45%;"> <input type="checkbox"/> Community  <input type="checkbox"/> Policy                 </div> </div>
<b>Social Marketing Tools Utilized</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Personal Sales  <input type="checkbox"/> Sales Promotions  <input type="checkbox"/> Public Relations  <input type="checkbox"/> Advertising                 </div> <div style="width: 45%;"> <input type="checkbox"/> Media Advocacy  <input type="checkbox"/> Partnerships  <input type="checkbox"/> Policy  <input type="checkbox"/> Other _____                 </div> </div>
<b>Program Topics</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Nutrition Education  <input type="checkbox"/> Physical Activity Promotion                 </div> <div style="width: 45%;"> <input type="checkbox"/> Federal Nutrition Assistance Program promotion                 </div> </div>
<b>Evaluation Measures</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">                     Formative:  <input type="checkbox"/> Focus Groups  <input type="checkbox"/> Interviews  <input type="checkbox"/> Survey                      Tools Developed:  <input type="checkbox"/> In-House  <input type="checkbox"/> Other Source _____                 </div> <div style="width: 45%;">                     Summative:  <input type="checkbox"/> Process  <input type="checkbox"/> Impact  <input type="checkbox"/> Outcome                 </div> </div>

## Network Contractor State Share Program Summary

<b>Partnerships</b>	
<i>Please check all that apply.</i>	
How many partners do you have? _____	
<b>Types of Partners</b>	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"> <input type="checkbox"/> Schools         </div> <div style="width: 50%;"> <input type="checkbox"/> College/University         </div> <div style="width: 50%;"> <input type="checkbox"/> School Food Service         </div> <div style="width: 50%;"> <input type="checkbox"/> Univ. of California Cooperative Extension         </div> <div style="width: 50%;"> <input type="checkbox"/> Local Health Department         </div> <div style="width: 50%;"> <input type="checkbox"/> Local Dept. of Social Services         </div> <div style="width: 50%;"> <input type="checkbox"/> Parks and Recreation         </div> <div style="width: 50%;"> <input type="checkbox"/> Other _____         </div> <div style="width: 50%;"> <input type="checkbox"/> California Project LEAN         </div> <div style="width: 50%;"> <input type="checkbox"/> Other _____         </div> </div>
<b>Subcontractors</b>	<div style="margin-bottom: 10px;">           Agency 1: _____            Role: _____            _____         </div> <div style="margin-bottom: 10px;">           Agency 2: _____            Role: _____            _____         </div> <div>           Agency 3: _____            Role: _____            _____         </div>

*Please give a narrative summary of your project for the contract year beginning October 1, 2003 to September 30, 2004 in 250 words or less. Please focus on describing the "how" and "what" of your planned objectives and activities outlined in your State Share Scope of Work, rather than the "who" and "where" as these are covered in other areas of this form. Thank you!*

**Brief Summary of Project for 2003-2004:**



# PROJECT DATABASE FORM

Contact Information	
<b>Organization</b>	<p style="text-align: center;">This is the information that will appear on your contract (Standard Agreement).</p> <p>Date _____</p> <p>Federal Tax ID # _____ Contract # _____</p> <p>Name _____</p> <p>Mailing Address _____</p> <p>_____</p> <p>Street Address (if different) _____</p> <p>_____</p> <p>County _____ LEAN Region _____</p>
<b>Contract Signatory</b>	<p style="text-align: center;">The <i>Contract Signatory</i> has authority to sign a contract.</p> <p>Name _____</p> <p>Mailing Address _____</p> <p>_____</p> <p>Street Address (if different) _____</p> <p>_____</p> <p>Phone _____ Fax _____</p> <p>Email _____</p>
<b>Project Coordinator</b>	<p style="text-align: center;">The <i>Project Coordinator</i> is responsible for all of the day-to-day activities of project implementation and for seeing that all contractual requirements are met. This person will be in contact with State staff, will receive all programmatic, budgetary, and accounting mail for the project and will be responsible for the proper dissemination of program information.</p> <p>Name _____</p> <p>Mailing Address _____</p> <p>_____</p> <p>Street Address (if different) _____</p> <p>_____</p> <p>Phone _____ Fax _____</p> <p>Email _____</p>



# PROJECT DATABASE FORM

CONTACT INFORMATION (continued)	
Payment Receiver	All payments for Invoices are sent to this address.
	Name _____
	Mailing Address _____ _____
	Street Address (if different) _____ _____
	Phone _____ Fax _____
	Email _____
Fiscal Reporter	The <i>Fiscal Reporter</i> prepares Invoices and Local Share Documentation Reports and is the primary contact for questions relating to these documents, as well as other fiscal documentation.
	Name _____
	Mailing Address _____ _____
	Street Address (if different) _____ _____
	Phone _____ Fax _____
	Email _____
Fiscal Signatory	The <i>Fiscal Signatory</i> has signature authority for Invoices and Local Share Documentation Reports.
	Name _____
	Mailing Address _____ _____
	Street Address (if different) _____ _____
	Phone _____ Fax _____
	Email _____